

House Amendment 8568

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1 1 Amend House File 2302, as amended, passed, and
1 2 reprinted by the House, as follows:
1 3 #1. By striking everything after the enacting
1 4 clause and inserting the following:
1 5 NEW SECTION. 15E.311 COUNTY
1 6 ENDOWMENT FUND.
1 7 1. The purpose of this section is to enhance the
1 8 quality of life for citizens of Iowa by providing
1 9 moneys to new or existing citizen groups of this state
1 10 organized to establish county affiliate funds or
1 11 community foundations that will address countywide
1 12 needs.
1 13 2. A county endowment fund is created in the state
1 14 treasury under the control of the department of
1 15 revenue. The fund consists of all moneys appropriated
1 16 to the fund. Moneys in the fund shall be distributed
1 17 by the department as provided in this section.
1 18 3. a. At the end of each fiscal year, moneys in
1 19 the fund shall be transferred into separate accounts
1 20 within the fund and designated for use by each county
1 21 in which no licensee authorized to conduct gambling
1 22 games under chapter 99F was located during that fiscal
1 23 year. Moneys transferred to county accounts shall be
1 24 divided equally among the counties. Moneys
1 25 transferred into an account for a county shall be
1 26 transferred by the department to an eligible county
1 27 recipient for that county. Of the moneys transferred,
1 28 an eligible county recipient shall distribute seventy=
1 29 five percent of the moneys as grants to charitable
1 30 organizations for educational, civic, public,
1 31 charitable, patriotic, or religious uses, as defined
1 32 in section 99B.7, subsection 3, paragraph "b", in that
1 33 county and shall retain twenty-five percent of the
1 34 moneys for use in establishing a permanent endowment
1 35 fund for the benefit of charitable organizations for
1 36 educational, civic, public, charitable, patriotic, or
1 37 religious uses, as defined in section 99B.7,
1 38 subsection 3, paragraph "b".
1 39 b. If a county does not have an eligible county
1 40 recipient, moneys in the account for that county shall
1 41 remain in that account until an eligible county
1 42 recipient for that county is established.
1 43 c. For purposes of this subsection, an "eligible
1 44 county recipient" means a qualified community
1 45 foundation or community affiliate organization, as
1 46 defined in section 15E.303, that is selected, in
1 47 accordance with the procedures described in section
1 48 15E.304, to receive moneys from an account created in
1 49 this section for a particular county. To be selected
1 50 as an eligible county recipient, a community affiliate
2 1 organization shall establish a county affiliate fund
2 2 to receive moneys as provided by this section.
2 3 4. Notwithstanding section 12C.7, subsection 2,
2 4 interest or earnings on moneys deposited in the county
2 5 endowment fund shall be credited to the county
2 6 endowment fund. Notwithstanding section 8.33, moneys
2 7 credited to the county endowment fund shall not revert
2 8 at the close of a fiscal year.
2 9 Sec. 2. Section 99D.2, subsection 8, Code 2003, is
2 10 amended to read as follows:
2 11 8. "Racetrack enclosure" means all real property
2 12 utilized for the conduct of a race meeting, including
2 13 the racetrack, grandstand, clubhouse, turf club or
2 14 other areas of a licensed racetrack which a person may
2 15 enter only upon payment of an admission fee, or upon
2 16 payment by another, at any time, based upon the
2 17 person's admittance, or upon presentation of
2 18 authorized credentials. "Racetrack enclosure" also
2 19 means concession stands, offices, barns, kennels and
2 20 barn areas, employee housing facilities, parking lots,
2 21 and any additional areas designated by the commission.
2 22 Sec. 3. Section 99D.2, Code 2003, is amended by
2 23 adding the following new subsection:
2 24 NEW SUBSECTION. 9. "Wagering area" means that

2 25 portion of a racetrack in which a licensee may receive
2 26 wagers of money from a person present in a licensed
2 27 racing enclosure on a horse or dog in a race selected
2 28 by the person making the wager as designated by the
2 29 commission.

2 30 Sec. 4. Section 99D.5, subsection 4, Code 2003, is
2 31 amended to read as follows:

2 32 4. Commission members are each entitled to receive
2 33 an annual salary of six thousand dollars. Members
2 34 shall also be reimbursed for actual expenses incurred
2 35 in the performance of their duties to a maximum of
2 36 thirty thousand dollars per year for the commission.
2 37 Each member shall ~~post a bond in the amount of ten~~
2 38 ~~thousand dollars, with sureties to be approved by the~~
2 39 ~~governor, to guarantee the proper handling and~~
2 40 ~~accounting of moneys and other properties required in~~
2 41 ~~the administration of this chapter. The premiums on~~
2 42 ~~the bonds shall be paid as other expenses of the~~
2 43 ~~commission be covered by the blanket surety bond of~~
2 44 ~~the state purchased pursuant to section 8A.321,~~
2 45 ~~subsection 12.~~

2 46 Sec. 5. Section 99D.6, Code 2003, is amended to
2 47 read as follows:

2 48 99D.6 CHAIRPERSON == ADMINISTRATOR == EMPLOYEES ==
2 49 DUTIES == BOND.

2 50 The commission shall elect in July of each year one
3 1 of its members as chairperson for the succeeding year.
3 2 The commission shall appoint an administrator of the
3 3 commission subject to confirmation by the senate. The
3 4 administrator shall serve a four-year term. The term
3 5 shall begin and end in the same manner as set forth in
3 6 section 69.19. A vacancy shall be filled for the
3 7 unexpired portion of the term in the same manner as a
3 8 full-term appointment is made. The administrator may
3 9 hire other assistants and employees as necessary to
3 10 carry out the commission's duties. Employees in the
3 11 positions of equine veterinarian, canine veterinarian,
3 12 and equine steward shall be exempt from the merit
3 13 system provisions of chapter 8A, subchapter IV, and
3 14 shall not be covered by a collective bargaining
3 15 agreement. Some or all of the information required of
3 16 applicants in section 99D.8A, subsections 1 and 2, may
3 17 also be required of employees of the commission if the
3 18 commission deems it necessary. The administrator
3 19 shall keep a record of the proceedings of the
3 20 commission, and preserve the books, records, and
3 21 documents entrusted to the administrator's care. The
3 22 ~~commission shall require the administrator to post a~~
3 23 ~~bond in a sum it may fix, conditioned upon the~~
3 24 ~~faithful performance of the administrator's duties~~
3 25 ~~shall be covered by the blanket surety bond of the~~
3 26 ~~state purchased pursuant to section 8A.321, subsection~~
3 27 ~~12.~~ Subject to the approval of the governor, the
3 28 commission shall fix the compensation of the
3 29 administrator within the salary range as set by the
3 30 general assembly. The commission shall have its
3 31 headquarters in the city of Des Moines, and shall meet
3 32 in July of each year and at other times and places as
3 33 it finds necessary for the discharge of its duties.

3 34 Sec. 6. Section 99D.7, subsection 8, Code 2003, is
3 35 amended to read as follows:

3 36 8. To investigate alleged violations of this
3 37 chapter or the commission rules, orders, or final
3 38 decisions and to take appropriate disciplinary action
3 39 against a licensee or a holder of an occupational
3 40 license for the violation, or institute appropriate
3 41 legal action for enforcement, or both. Information
3 42 gathered during an investigation is confidential
3 43 during the pendency of the investigation. Decisions
3 44 by the commission are final agency actions pursuant to
3 45 chapter 17A.

3 46 Sec. 7. Section 99D.7, subsection 19, Code 2003,
3 47 is amended to read as follows:

3 48 19. To require licensees to indicate in their
3 49 racing programs those horses which are treated with
3 50 the legal medication ~~lasix~~ furosemide or
4 1 phenylbutazone. The program shall also indicate if it
4 2 is the first or subsequent time that a horse is racing
4 3 with ~~lasix~~ furosemide, or if the horse has previously
4 4 raced with ~~lasix~~ furosemide and the present race is
4 5 the first race for the horse without ~~lasix~~ furosemide

4 6 following its use.

4 7 Sec. 8. Section 99D.7, Code 2003, is amended by
4 8 adding the following new subsection:

4 9 NEW SUBSECTION. 23. To require licensees to
4 10 establish a process to allow a person to be
4 11 voluntarily excluded for life from a racetrack
4 12 enclosure and all other licensed facilities under this
4 13 chapter and chapter 99F. The process established
4 14 shall require that a licensee disseminate information
4 15 regarding persons voluntarily excluded to all
4 16 licensees under this chapter and chapter 99F. The
4 17 state and any licensee under this chapter or chapter
4 18 99F shall not be liable to any person for any claim
4 19 which may arise from this process. In addition to any
4 20 other penalty provided by law, any money or thing of
4 21 value that has been obtained by, or is owed to, a
4 22 voluntarily excluded person by a licensee as a result
4 23 of wagers made by the person after the person has been
4 24 voluntarily excluded shall not be paid to the person
4 25 but shall be deposited into the gambling treatment
4 26 fund created in section 135.150.

4 27 Sec. 9. Section 99D.9, subsections 1 and 2, Code
4 28 2003, are amended to read as follows:

4 29 1. If the commission is satisfied that its rules
4 30 and sections 99D.8 through 99D.25 applicable to
4 31 licensees have been or will be complied with, it may
4 32 issue a license for a period of not more than three
4 33 years. The commission may decide which types of
4 34 racing it will permit. The commission may permit dog
4 35 racing, horse racing of various types, or both dog and
4 36 horse racing. The commission shall decide the number,
4 37 location, and type of all racetracks licensed under
4 38 this chapter. The license shall set forth the name of
4 39 the licensee, the type of license granted, the place
4 40 where the race meeting is to be held, and the time and
4 41 number of days during which racing may be conducted by
4 42 the licensee. ~~The commission shall not approve the~~

~~4 43 licenses for racetracks in Dubuque county and Black~~
~~4 44 Hawk county if the proposed racing schedules of the~~
~~4 45 two tracks conflict.~~

4 46 The commission shall not approve
4 47 a license application if any part of the racetrack is
4 48 to be constructed on prime farmland outside the city
4 49 limits of an incorporated city. As used in this
4 50 subsection, "prime farmland" means as defined by the
5 1 United States department of agriculture in 7 C.F.R.
5 2 ~~sec. 1~~ 657.5(a). A license is not transferable or
5 3 assignable. The commission may revoke any license
5 4 issued for good cause upon reasonable notice and
5 5 hearing. The commission shall conduct a neighborhood
5 6 impact study to determine the impact of granting a
5 7 license on the quality of life in neighborhoods
5 8 adjacent to the proposed racetrack facility. The
5 9 applicant for the license shall reimburse the
5 10 commission for the costs incurred in making the study.
5 11 A copy of the study shall be retained on file with the
5 12 commission and shall be a public record. The study
5 13 shall be completed before the commission may issue a
5 14 license for the proposed facility.

5 15 2. A license shall only be granted to a nonprofit
5 16 corporation or association upon the express condition
5 17 that+

5 18 ~~a. The the~~ nonprofit corporation or association
5 19 shall not, by a lease, contract, understanding, or
5 20 arrangement of any kind, grant, assign, or turn over
5 21 to a person the operation of a race meeting licensed
5 22 under this section or of the pari-mutuel system of
5 23 wagering described in section 99D.11. This section
5 24 does not prohibit a management contract approved by
5 25 the commission.

~~5 26 b. The nonprofit corporation shall not in any~~
~~5 27 manner permit a person other than the licensee to have~~
~~5 28 a share, percentage, or proportion of the money~~
~~5 29 received for admissions to the race or race meeting.~~

5 30 Sec. 10. Section 99D.9, subsection 6, Code 2003,
5 31 is amended to read as follows:

5 32 6. (1) A licensee ~~may~~ shall not loan to any
5 33 person money or any other thing of value for the
5 34 purpose of permitting that person to wager on any
5 35 race.

5 36 (2) A licensee shall not permit a financial
5 37 institution, vendor, or other person to dispense cash

5 37 or credit through an electronic or mechanical device
5 38 including but not limited to a satellite terminal as
5 39 defined in section 527.2, that is located in the
5 40 wagering area.

5 41 (3) When technologically feasible, a licensee
5 42 shall ensure that a person may voluntarily bar the
5 43 person's access to receive cash or credit from a
5 44 financial institution, vendor, or other person through
5 45 an electronic or mechanical device including but not
5 46 limited to a satellite terminal as defined in section
5 47 527.2, that is located on the licensed premises.

5 48 Sec. 11. Section 99D.9, Code 2003, is amended by
5 49 adding the following new subsection:
5 50 NEW SUBSECTION. 8. The commission shall require
6 1 that a licensee utilize Iowa resources, goods, and
6 2 services in the operation of a racetrack enclosure.
6 3 The commission shall develop standards to assure that
6 4 a substantial amount of all resources and goods used
6 5 in the operation of a racetrack enclosure emanate from
6 6 and are made in Iowa and that a substantial amount of
6 7 all services and entertainment are provided by Iowans.

6 8 Sec. 12. Section 99D.11, subsection 7, Code 2003,
6 9 is amended to read as follows:
6 10 7. A person under the age of twenty-one years
6 11 shall not make or attempt to make a pari-mutuel wager.
6 12 A person who violates this subsection commits a
6 13 scheduled violation under section 805.8C, subsection
6 14 4.

6 15 Sec. 13. Section 99D.14, subsection 2, Code 2003,
6 16 is amended by striking the subsection and inserting in
6 17 lieu thereof the following:
6 18 2. A licensee shall pay a regulatory fee to be
6 19 charged as provided in this section. In determining
6 20 the regulatory fee to be charged as provided under
6 21 this section, the commission shall use the amount
6 22 appropriated to the commission plus the cost of
6 23 salaries for no more than two special agents for each
6 24 racetrack that has not been issued a table games
6 25 license under chapter 99F or no more than three
6 26 special agents for each racetrack that has been issued
6 27 a table games license under chapter 99F, plus any
6 28 direct and indirect support costs for the agents, for
6 29 the division of criminal investigation's racetrack
6 30 activities, as the basis for determining the amount of
6 31 revenue to be raised from the regulatory fee.

6 32 Sec. 14. Section 99D.14, subsection 7, Code 2003,
6 33 is amended by striking the subsection.

6 34 Sec. 15. Section 99D.15, subsection 3, paragraph
6 35 d, Code 2003, is amended by striking the paragraph.

6 36 Sec. 16. Section 99D.15, Code 2003, is amended by
6 37 adding the following new subsection:
6 38 NEW SUBSECTION. 5. An amount equal to one-half of
6 39 one percent of the gross sum wagered by the pari=
6 40 mutuel method shall be deposited into the gambling
6 41 treatment fund created in section 135.150 from the tax
6 42 revenue received by the commission pursuant to
6 43 subsections 1 and 3.

6 44 Sec. 17. Section 99D.19, Code 2003, is amended to
6 45 read as follows:
6 46 99D.19 HORSE OR DOG RACING == LICENSEES == RECORDS
6 47 == REPORTS == SUPERVISION.
6 48 1. A licensee shall keep its books and records so
6 49 as to clearly show the following:
6 50 1- a. The total number of admissions to races
7 1 conducted by it on each racing day, including the
7 2 number of admissions upon free passes or complimentary
7 3 tickets for each day of operation.
7 4 2- b. The amount received daily from admission
7 5 fees.
7 6 3- The total amount of money wagered during the
7 7 race meet for each day of operation.

7 8 2. The licensee shall furnish to the commission
7 9 reports and information as the commission may require
7 10 with respect to its activities. The commission may
7 11 designate a representative to attend a licensed race
7 12 meeting, who shall have full access to all places
7 13 within the enclosure of the meeting and who shall
7 14 supervise and check the admissions. The compensation
7 15 of the representative shall be fixed by the commission
7 16 but shall be paid by the licensee.

7 17 Sec. 18. Section 99D.20, Code 2003, is amended to

7 18 read as follows:

7 19 99D.20 AUDIT OF LICENSEE OPERATIONS.

7 20 Within ninety days after the end of each race meet,
7 21 the licensee shall transmit to the commission an audit
7 22 of the financial transactions and condition of the
7 23 licensee's operations conducted under this chapter.

7 24 Additionally, within ninety days after the end of the
7 25 licensee's fiscal year, the licensee shall transmit to
7 26 the commission an audit of the ~~financial transactions~~

~~7 27 and condition of the licensee's total racing and~~

~~7 28 gaming operations, including an itemization of all~~

~~7 29 expenses and subsidies.~~ All audits shall be conducted

7 30 by certified public accountants registered in the

7 31 state of Iowa under chapter 542 who are selected by

~~7 32 the board of supervisors of the county in which the~~

~~7 33 licensee operates.~~

7 34 Sec. 19. Section 99D.23, subsection 1, Code 2003,
7 35 is amended to read as follows:

7 36 1. The commission shall employ one or more
7 37 chemists or contract with a qualified chemical
7 38 laboratory to determine by chemical testing and
7 39 analysis of saliva, urine, blood, or other excretions
7 40 or body fluids whether a substance or drug has been
7 41 introduced which may affect the outcome of a race or
7 42 whether an action has been taken or a substance or
7 43 drug has been introduced which may interfere with the
7 44 testing procedure. The commission shall adopt rules

7 45 under chapter 17A concerning procedures and actions

7 46 taken on positive drug reports. The commission may

7 47 adopt by reference ~~the standards of the national~~

~~7 48 association of state racing commissioners, the~~

~~7 49 association of official racing chemists, and New York~~

~~7 50 jockey club, or the United States trotting~~

~~8 1 association, nationally recognized standards as~~

~~8 2 determined by the commission~~ or may adopt any other

8 3 procedure or standard. The commission has the

8 4 authority to retain and preserve by freezing, test

8 5 samples for future analysis.

8 6 Sec. 20. Section 99D.25, subsection 1, paragraph

8 7 a, Code 2003, is amended to read as follows:

8 8 a. "Drugging" means administering to a horse or
8 9 dog any substance foreign to the natural horse or dog
8 10 prior to the start of a race. However, in counties
8 11 with a population of two hundred fifty thousand or
8 12 more, "drugging" does not include administering to a
8 13 horse the drugs ~~lasix~~ furosemide and phenylbutazone in
8 14 accordance with section 99D.25A and rules adopted by
8 15 the commission.

8 16 Sec. 21. Section 99D.25, subsection 5, Code 2003,
8 17 is amended to read as follows:

8 18 5. Every horse which suffers a breakdown on the
8 19 racetrack, in training, or in competition, and is
8 20 destroyed, and every other horse which expires while
8 21 stabled on the racetrack under the jurisdiction of the
8 22 commission, shall undergo a postmortem examination by

~~8 23 a veterinarian or a veterinary pathologist at a time~~

8 24 and place acceptable to the commission veterinarian to

8 25 determine the injury or sickness which resulted in

8 26 euthanasia or natural death. ~~The postmortem~~

~~8 27 examination shall be conducted by a veterinarian~~

~~8 28 employed by the owner or the owner's trainer in the~~

~~8 29 presence of and in consultation with the commission~~

~~8 30 veterinarian.~~ Test samples shall be obtained from the

8 31 carcass upon which the postmortem examination is

8 32 conducted and shall be sent to a laboratory approved

8 33 by the commission for testing for foreign substances

8 34 and natural substances at abnormal levels. When

8 35 practical, blood and urine test samples should be

8 36 procured prior to euthanasia. The owner of the

8 37 deceased horse is responsible for payment of any

8 38 charges due ~~the veterinarian employed to conduct the~~

~~8 39 postmortem examination. The services of the~~

~~8 40 commission veterinarian and the laboratory testing of~~

~~8 41 postmortem samples shall be made available by the~~

~~8 42 commission without charge to the owner.~~ A record of

8 43 every postmortem shall be filed with the commission by

8 44 the ~~owner's~~ veterinarian or veterinary pathologist who

~~8 45 performed the postmortem~~ within seventy-two hours of

~~8 46 the death and shall be submitted on a form supplied by~~

~~8 47 the commission.~~ Each owner and trainer accepts the

8 48 responsibility for the postmortem examination provided

8 49 herein as a requisite for maintaining the occupational
8 50 license issued by the commission.

9 1 Sec. 22. Section 99D.25, subsection 9, Code 2003,
9 2 is amended to read as follows:

9 3 9. The commission shall conduct random tests of
9 4 bodily substances of horses entered to race each day
9 5 of a race meeting to aid in the detection of any
9 6 unlawful drugging. The tests ~~shall~~ may be conducted
9 7 both prior to and after a race. The commission shall
9 8 also test any horse that breaks down during a race and
9 9 shall perform an autopsy on any horse that is killed
9 10 or subsequently destroyed as a result of an accident
9 11 during a race.

9 12 Sec. 23. Section 99D.25A, subsections 3 through 7,
9 13 Code 2003, are amended to read as follows:

9 14 3. If a horse is to race with phenylbutazone in
9 15 its system, the trainer, or trainer's designee, shall
9 16 be responsible for marking the information on the
9 17 entry blank for each race in which the horse shall use
9 18 phenylbutazone. Changes made after the time of entry
9 19 must be submitted on the prescribed form to the
9 20 commission veterinarian no later than scratch time.

9 21 4. If a test detects concentrations of
9 22 phenylbutazone in the system of a horse in excess of
9 23 the level permitted in this section, the commission
9 24 shall assess a civil penalty against the trainer of at
9 25 least two hundred dollars for the first offense and at
9 26 least five hundred dollars for a second offense. The
9 27 penalty for a third or subsequent offense shall be in
9 28 the discretion of the commission. A penalty assessed
9 29 under this subsection shall not affect the placing of
9 30 the horse in the race.

9 31 5. ~~Lasix~~ Furosemide may be administered to
9 32 certified bleeders. Upon request, any horse placed on
9 33 the bleeder list shall, in its next race, be permitted
9 34 the use of ~~lasix~~ furosemide. Once a horse has raced
9 35 with ~~lasix~~ furosemide, it must continue to race with
9 36 ~~lasix~~ furosemide in all subsequent races unless a
9 37 request is made to discontinue the use. If the use of
9 38 ~~lasix~~ furosemide is discontinued, the horse shall be
9 39 prohibited from again racing with ~~lasix~~ furosemide
9 40 unless it is later observed to be bleeding. Requests
9 41 for the use of or discontinuance of ~~lasix~~ furosemide
9 42 must be made to the commission veterinarian by the
9 43 horse's trainer or assistant trainer on a form
9 44 prescribed by the commission on or before the day of
9 45 entry into the race for which the request is made.

9 46 6. Once a horse has been permitted the use of
9 47 ~~lasix~~ furosemide, the horse must be treated with ~~lasix~~
9 48 furosemide in the horse's stall, unless the commission
9 49 provides that a horse must be brought to the detention
9 50 barn for treatment. After the ~~lasix~~ furosemide
10 1 treatment, the commission, by rule, may authorize the
10 2 release of the horse from the horse's stall or
10 3 detention barn before the scheduled post time. If a
10 4 horse is brought to the detention barn late, the
10 5 commission shall assess a civil penalty of one hundred
10 6 dollars against the trainer.

10 7 7. A horse entered to race with ~~lasix~~ furosemide
10 8 must be treated at least four hours prior to post
10 9 time. The ~~lasix~~ furosemide shall be administered
10 10 intravenously by a veterinarian employed by the owner
10 11 or trainer of the horse. The commission shall adopt
10 12 rules to ensure that ~~lasix~~ furosemide is administered
10 13 as provided in this section. The commission shall
10 14 require that the practicing veterinarian deliver an
10 15 affidavit signed by the veterinarian which certifies
10 16 information regarding the treatment of the horse. The
10 17 affidavit must be delivered to a commission
10 18 veterinarian within twenty minutes following the
10 19 treatment. The statement must at least include the
10 20 name of the practicing veterinarian, the tattoo number
10 21 of the horse, the location of the barn and stall where
10 22 the treatment occurred, the race number of the horse,
10 23 the name of the trainer, and the time that the ~~lasix~~
10 24 furosemide was administered. ~~Lasix~~ Furosemide shall
10 25 only be administered in a dose level of two hundred
10 26 fifty milligrams.

10 27 Sec. 24. Section 99F.1, Code Supplement 2003, is
10 28 amended by adding the following new subsection:

10 29 NEW SUBSECTION. 7A. "Excursion boat" means a

10 30 self-propelled, floating vessel that is or has been
10 31 previously certified by the United States coast guard
10 32 for operation as a vessel.
10 33 Sec. 25. Section 99F.1, subsection 8, Code
10 34 Supplement 2003, is amended to read as follows:
10 35 8. "Excursion gambling boat" means ~~a self-~~
~~10 36 propelled an~~ excursion boat ~~or moored barge~~ on which
10 37 lawful gambling is authorized and licensed as provided
10 38 in this chapter.
10 39 Sec. 26. Section 99F.1, subsection 10, Code
10 40 Supplement 2003, is amended to read as follows:
10 41 10. "Gambling game" means any game of chance
10 42 authorized by the commission. However, for racetrack
10 43 enclosures, "gambling game" does not include table
10 44 games of chance or video machines which simulate table
~~10 45 games of chance, unless otherwise authorized by this~~
~~10 46 chapter.~~ "Gambling game" does not include sports
10 47 betting.
10 48 Sec. 27. Section 99F.1, Code Supplement 2003, is
10 49 amended by adding the following new subsection:
10 50 NEW SUBSECTION. 10A. "Gaming floor" means that
11 1 portion of an excursion gambling boat or racetrack
11 2 enclosure in which gambling games are conducted as
11 3 designated by the commission.
11 4 Sec. 28. Section 99F.1, subsection 12, Code
11 5 Supplement 2003, is amended to read as follows:
11 6 12. "Holder of occupational license" means a
11 7 person licensed by the commission to perform an
11 8 occupation which the commission has identified as
11 9 requiring a license to engage in the excursion
~~11 10 gambling boat gambling industry~~ in Iowa.
11 11 Sec. 29. Section 99F.1, Code Supplement 2003, is
11 12 amended by adding the following new subsection:
11 13 NEW SUBSECTION. 14A. "Moored barge" means a barge
11 14 or vessel that is not self-propelled.
11 15 Sec. 30. Section 99F.1, subsection 16, Code
11 16 Supplement 2003, is amended to read as follows:
11 17 16. "Racetrack enclosure" means all real property
~~11 18 utilized for the conduct of a race meeting, including~~
~~11 19 the racetrack, grandstand, clubhouse, turf club, or~~
~~11 20 other areas of a licensed racetrack which an~~
~~11 21 individual may enter only upon payment of an admission~~
~~11 22 fee, or upon payment by another, at any time, based~~
~~11 23 upon the individual's admittance, or upon presentation~~
~~11 24 of authorized credentials.~~ "Racetrack enclosure" also
~~11 25 means concession stands, offices, barns, kennels and~~
~~11 26 barn areas, employee housing facilities, parking lots,~~
~~11 27 and~~ any additional areas designated by the commission.
11 28 Sec. 31. Section 99F.4, subsection 2, Code 2003,
11 29 is amended to read as follows:
11 30 2. To license qualified sponsoring organizations,
11 31 to license the operators of excursion gambling boats,
11 32 to identify occupations within the excursion gambling
11 33 boat operations which require licensing, and to adopt
11 34 standards for licensing the occupations including
11 35 establishing fees for the occupational licenses and
11 36 licenses for qualified sponsoring organizations. The
11 37 fees shall be paid to the commission and deposited in
11 38 the general fund of the state. All revenue received
11 39 by the commission under this chapter from license fees
11 40 and admission regulatory fees shall be deposited in
11 41 the general fund of the state and shall be subject to
11 42 the requirements of section 8.60.
11 43 Sec. 32. Section 99F.4, subsection 6, Code 2003,
11 44 is amended to read as follows:
11 45 6. To investigate alleged violations of this
11 46 chapter or the commission rules, orders, or final
11 47 decisions and to take appropriate disciplinary action
11 48 against a licensee or a holder of an occupational
11 49 license for a violation, or institute appropriate
11 50 legal action for enforcement, or both. Information
~~12 1 gathered during an investigation is confidential~~
~~12 2 during the pendency of the investigation.~~
12 3 Sec. 33. Section 99F.4, subsection 18, Code 2003,
12 4 is amended to read as follows:
12 5 18. To provide for the continuous videotaping
12 6 recording of all gambling activities on an excursion
12 7 gambling boat. The videotaping recording shall be
12 8 performed under guidelines set by rule of the division
12 9 of criminal investigation and the rules may require
12 10 that all or part of the original ~~tapes~~ recordings be

12 11 submitted to the division on a timely schedule.
12 12 Sec. 34. Section 99F.4, subsection 20, Code 2003,
12 13 is amended by striking the subsection.
12 14 Sec. 35. Section 99F.4, Code 2003, is amended by
12 15 adding the following new subsections:
12 16 NEW SUBSECTION. 23. To require licensees to
12 17 establish a process to allow a person to be
12 18 voluntarily excluded for life from an excursion
12 19 gambling boat and all other licensed facilities under
12 20 this chapter and chapter 99D. The process established
12 21 shall require that a licensee disseminate information
12 22 regarding persons voluntarily excluded to all
12 23 licensees under this chapter and chapter 99D. The
12 24 state and any licensee under this chapter or chapter
12 25 99D shall not be liable to any person for any claim
12 26 which may arise from this process. In addition to any
12 27 other penalty provided by law, any money or thing of
12 28 value that has been obtained by, or is owed to, a
12 29 voluntarily excluded person by a licensee as a result
12 30 of wagers made by the person after the person has been
12 31 voluntarily excluded shall not be paid to the person
12 32 but shall be deposited into the gambling treatment
12 33 fund created in section 135.150.
12 34 NEW SUBSECTION. 24. To approve a licensee's
12 35 application to operate as a moored barge, an excursion
12 36 boat that will cruise, or an excursion boat that will
12 37 not cruise, as submitted pursuant to section 99F.7.
12 38 NEW SUBSECTION. 25. To conduct a socioeconomic
12 39 study on the impact of gambling on Iowans, every eight
12 40 years beginning in calendar year 2008, and issue a
12 41 report on that study. The commission shall ensure
12 42 that the results of each study are readily accessible
12 43 to the public.
12 44 Sec. 36. Section 99F.4A, subsection 4, Code 2003,
12 45 is amended to read as follows:
12 46 4. The regulatory fee imposed in section 99D.14,
12 47 subsection 2, shall be collected ~~for admission to from~~
12 48 ~~a licensee of a racetrack enclosure where gambling~~
12 49 ~~games are licensed to operate in lieu of the admission~~
12 50 ~~regulatory~~ fee imposed in section 99F.10.
13 1 Sec. 37. Section 99F.4A, subsection 8, Code 2003,
13 2 is amended by striking the subsection and inserting in
13 3 lieu thereof the following:
13 4 8. The commission shall, upon the immediate
13 5 payment of the applicable table games license fee and
13 6 submission to the commission by June 1, 2005, of an
13 7 application by a licensee of a pari-mutuel dog or
13 8 horse racetrack licensed to conduct gambling games at
13 9 a pari-mutuel racetrack enclosure, issue a license to
13 10 the licensee to conduct table games of chance,
13 11 including video machines that simulate table games of
13 12 chance, at the pari-mutuel racetrack enclosure subject
13 13 to the requirements of this subsection. However, a
13 14 table games license may only be issued to a licensee
13 15 required to pay a table games license fee of three
13 16 million dollars under this subsection if the licensee,
13 17 and all other licensees of an excursion gambling boat
13 18 in that county, file an agreement with the commission
13 19 authorizing the granting of a table games license
13 20 under this subsection and permitting all licensees of
13 21 an excursion gambling boat to operate a moored barge
13 22 as of a specific date. The licensee shall be granted
13 23 a table games license by the commission without
13 24 conducting a separate referendum authorizing table
13 25 games upon payment of the applicable license fee to
13 26 the commission which table games license fee may be
13 27 offset by the licensee against taxes imposed on the
13 28 licensee by section 99F.11, to the extent of twenty
13 29 percent of the table games license fee paid pursuant
13 30 to this subsection for each of five consecutive fiscal
13 31 years beginning with the fiscal year beginning July 1,
13 32 2008. Fees paid pursuant to this subsection are not
13 33 refundable to the licensee. A licensee shall not be
13 34 required to pay a fee to renew a table games license
13 35 issued pursuant to this subsection. Moneys collected
13 36 by the commission from a table games license fee paid
13 37 under this subsection shall be deposited in the
13 38 rebuild Iowa infrastructure fund created in section
13 39 8.57.
13 40 For purposes of this subsection, the applicable
13 41 license fee for a licensee shall be three million

13 42 dollars if the adjusted gross receipts from gambling
13 43 games for the licensee in the previous fiscal year was
13 44 less than one hundred million dollars, and shall be
13 45 ten million dollars if the adjusted gross receipts
13 46 from gambling games for the licensee in the previous
13 47 fiscal year was one hundred million dollars or more.

13 48 Sec. 38. Section 99F.5, subsection 1, Code 2003,
13 49 is amended to read as follows:

13 50 1. A qualified sponsoring organization may apply
14 1 to the commission for a license to conduct gambling
14 2 games on an excursion gambling boat as provided in
14 3 this chapter. A person may apply to the commission
14 4 for a license to operate an excursion gambling boat.
14 5 An operating agreement entered into on or after the
14 6 effective date of this section of this Act between a
14 7 qualified sponsoring organization and an operator
14 8 shall provide for a minimum distribution by the
14 9 qualified sponsoring organization for educational,
14 10 civic, public, charitable, patriotic, or religious
14 11 uses as defined in section 99B.7, subsection 3,
14 12 paragraph "b", that averages at least three percent of
14 13 the adjusted gross receipts for each license year.

14 14 The application shall be filed with the administrator
14 15 of the commission at least ninety days before the
14 16 first day of the next excursion season as determined
14 17 by the commission, shall identify the excursion
14 18 gambling boat upon which gambling games will be
14 19 authorized, shall specify the exact location where the
14 20 excursion gambling boat will be docked, and shall be
14 21 in a form and contain information as the commission
14 22 prescribes. The minimum passenger capacity of an
14 23 excursion gambling boat is two hundred fifty persons.

14 24 Sec. 39. Section 99F.6, subsection 4, paragraph a,
14 25 Code Supplement 2003, is amended to read as follows:

14 26 a. Before a license is granted, the division of
14 27 criminal investigation of the department of public
14 28 safety shall conduct a thorough background
14 29 investigation of the applicant for a license to
14 30 operate a gambling game operation on an excursion
14 31 gambling boat. The applicant shall provide
14 32 information on a form as required by the division of
14 33 criminal investigation. A qualified sponsoring
14 34 organization licensed to operate gambling games under
14 35 this chapter shall distribute the receipts of all
14 36 gambling games, less reasonable expenses, charges,
14 37 taxes, fees, and deductions allowed under this
14 38 chapter, as winnings to players or participants or
14 39 shall distribute the receipts for educational, civic,
14 40 public, charitable, patriotic, or religious uses as
14 41 defined in section 99B.7, subsection 3, paragraph "b".
14 42 However, a licensee to conduct gambling games under
14 43 this chapter shall, unless an operating agreement for
14 44 an excursion gambling boat otherwise provides,
14 45 distribute at least three percent of the adjusted
14 46 gross receipts for each license year for educational,
14 47 civic, public, charitable, patriotic, or religious
14 48 uses as defined in section 99B.7, subsection 3,
14 49 paragraph "b". However, if a licensee who is also

15 50 licensed to conduct pari-mutuel wagering at a horse
15 1 racetrack has unpaid debt from the pari-mutuel
15 2 racetrack operations, the first receipts of the
15 3 gambling games operated within the racetrack enclosure
15 4 less reasonable operating expenses, taxes, and fees
15 5 allowed under this chapter shall be first used to pay
15 6 the annual indebtedness. The commission shall
15 7 authorize, subject to the debt payments for horse
15 8 racetracks and the provisions of paragraph "b" for dog
15 9 racetracks, a licensee who is also licensed to conduct
15 10 pari-mutuel dog or horse racing to use receipts from
15 11 gambling games within the racetrack enclosure to
15 12 supplement purses for races particularly for Iowa-bred
15 13 horses pursuant to an agreement which shall be
15 14 negotiated between the licensee and representatives of
15 15 the dog or horse owners. For each agreement
15 16 concerning purses for horse racing beginning on or
15 17 after January 1, 2006, and ending before January 1,
15 18 2021, the agreement shall provide that total annual
15 19 purses for all horse racing shall be no less than
15 20 eleven percent of the first two hundred million
15 21 dollars of net receipts, and six percent of net
15 22 receipts above two hundred million dollars, subject to

15 23 commission approval. A qualified sponsoring
15 24 organization shall not make a contribution to a
15 25 candidate, political committee, candidate's committee,
15 26 state statutory political committee, county statutory
15 27 political committee, national political party, or
15 28 fund-raising event as these terms are defined in
15 29 section 68A.102. The membership of the board of
15 30 directors of a qualified sponsoring organization shall
15 31 represent a broad interest of the communities. For
15 32 purposes of this paragraph, "net receipts" means the
15 33 annual adjusted gross receipts from all gambling games
15 34 less the annual amount of money pledged by the owner
15 35 of the facility to fund a project approved to receive
15 36 vision Iowa funds as of July 1, 2004.

15 37 Sec. 40. Section 99F.7, subsection 1, Code 2003,
15 38 is amended to read as follows:
15 39 1. If the commission is satisfied that this
15 40 chapter and its rules adopted under this chapter
15 41 applicable to licensees have been or will be complied
15 42 with, the commission shall issue a license for a
15 43 period of not more than three years to an applicant to
15 44 own a gambling game operation and to an applicant to
15 45 operate an excursion gambling boat. The commission
15 46 shall decide which of the gambling games authorized
15 47 under this chapter ~~it~~ the commission will permit. The
15 48 commission shall decide the number, location, and type
15 49 of excursion gambling boats licensed under this
15 50 chapter for operation on the rivers, lakes, and
16 1 reservoirs of this state. An excursion gambling boat
16 2 may be located or operated on a natural or man-made
16 3 lake or reservoir if the lake or reservoir is of
16 4 sufficient size to accommodate recreational activity.
16 5 An excursion gambling boat may also be located on a
16 6 man-made basin or other body of water adjacent to a
16 7 river, provided it is located no more than one
16 8 thousand feet from the high water mark of the river,
16 9 as established by the commission in consultation with
16 10 the United States army corps of engineers, the
16 11 department of natural resources, or other appropriate
16 12 regulatory agency. The license shall set forth, as
16 13 applicable, the name of the licensee, the type of
16 14 license granted, the place where the excursion
16 15 gambling boats will operate and dock, and the time and
16 16 number of days during the excursion season and the off
16 17 season when gambling may be conducted by the licensee.
16 18 ~~The~~

16 19 1A. a. An applicant for a license to conduct
16 20 gambling games on an excursion gambling boat, and each
16 21 licensee by June 30 of each year thereafter, shall
16 22 indicate and have noted on the license whether the
16 23 applicant or licensee will operate a moored barge, an
16 24 excursion boat that will cruise, or an excursion boat
16 25 that will not cruise subject to the requirements of
16 26 this subsection. If the applicant or licensee will
16 27 operate a moored barge or an excursion boat that will
16 28 not cruise, the requirements of this chapter
16 29 concerning cruising shall not apply. If the
16 30 applicant's or licensee's excursion boat will cruise,
16 31 the applicant or licensee shall comply with the
16 32 cruising requirements of this chapter and the
16 33 commission shall not allow such a licensee to conduct
16 34 gambling games on an excursion gambling boat while
16 35 docked during the off season if the licensee does not
16 36 operate gambling excursions for a minimum number of
16 37 days during the excursion season. The commission may
16 38 delay the commencement of the excursion season at the
16 39 request of a licensee.

16 40 b. However, an applicant or licensee of an
16 41 excursion gambling boat that is located in the same
16 42 county as a racetrack enclosure conducting gambling
16 43 games shall not be allowed to operate a moored barge
16 44 unless either of the following applies:

16 45 (1) If the licensee is located in the same county
16 46 as a racetrack enclosure conducting gambling games
16 47 that had less than one hundred million dollars in
16 48 adjusted gross receipts from gambling games for the
16 49 fiscal year beginning July 1, 2003, the licensee of an
16 50 excursion gambling boat is authorized to operate a
17 1 moored barge if the licensee, the licensee of the
17 2 racetrack enclosure, and all other licensees of an
17 3 excursion gambling boat in that county file an

17 4 agreement with the commission agreeing to the granting
17 5 of a table games license under this chapter and
17 6 permitting all licensees of an excursion gambling boat
17 7 in the county to operate a moored barge as of a
17 8 specific date.
17 9 (2) If the licensee is located in the same county
17 10 as a racetrack enclosure conducting gambling games
17 11 that had one hundred million dollars or more in
17 12 adjusted gross receipts from gambling games for the
17 13 fiscal year beginning July 1, 2003, the licensee of an
17 14 excursion gambling boat is authorized to operate a
17 15 moored barge the earlier of July 1, 2007, or the date
17 16 any form of gambling games, as defined in this
17 17 chapter, is authorized in any state that is contiguous
17 18 to the county where the licensee is located.
17 19 Sec. 41. Section 99F.7, subsection 3, Code 2003,
17 20 is amended to read as follows:
17 21 3. The commission shall require, as a condition of
17 22 granting a license, that an applicant to operate an
17 23 excursion gambling boat develop, and as nearly as
17 24 practicable, recreate boats or moored barges that
17 25 resemble Iowa's riverboat history.
17 26 Sec. 42. Section 99F.7, subsection 4, Code 2003,
17 27 is amended to read as follows:
17 28 4. The commission shall require that an applicant
17 29 utilize Iowa resources, goods and services in the
17 30 operation of an excursion gambling boat. The
17 31 commission shall develop standards to assure that a
17 32 substantial amount of all resources and goods used in
17 33 the operation of an excursion gambling boat ~~come~~
17 34 emanate from and are made in Iowa and that a
17 35 substantial amount of all services and entertainment
17 36 ~~be~~ are provided by Iowans.
17 37 Sec. 43. Section 99F.7, subsection 5, paragraph b,
17 38 Code 2003, is amended by striking the paragraph.
17 39 Sec. 44. Section 99F.7, subsection 9, Code 2003,
17 40 is amended to read as follows:
17 41 9. a. A licensee shall not loan to any person
17 42 money or any other thing of value for the purpose of
17 43 permitting that person to wager on any game of chance.
17 44 b. A licensee shall not permit a financial
17 45 institution, vendor, or other person to dispense cash
17 46 or credit through an electronic or mechanical device
17 47 including but not limited to a satellite terminal, as
17 48 defined in section 527.2, that is located on the
17 49 gaming floor.
17 50 c. When technologically feasible, a licensee shall
18 1 ensure that a person may voluntarily bar the person's
18 2 access to receive cash or credit from a financial
18 3 institution, vendor, or other person through an
18 4 electronic or mechanical device including but not
18 5 limited to a satellite terminal as defined in section
18 6 527.2 that is located on the licensed premises.
18 7 Sec. 45. Section 99F.7, subsection 10, paragraph
18 8 e, Code 2003, is amended to read as follows:
18 9 e. After a referendum has been held which defeated
18 10 a proposal to conduct gambling games on excursion
18 11 gambling boats or which defeated a proposal to conduct
18 12 gambling games at a licensed pari-mutuel racetrack
18 13 enclosure as provided in this section, another
18 14 referendum on a proposal to conduct gambling games on
18 15 an excursion gambling boat or at a licensed pari-
18 16 mutuel racetrack shall not be held for at least ~~two~~
18 17 eight years.
18 18 Sec. 46. Section 99F.7, subsection 13, Code 2003,
18 19 is amended to read as follows:
18 20 13. An excursion gambling boat operated on inland
18 21 waters of this state or an excursion boat that has
18 22 been removed from navigation and is designated as a
18 23 permanently moored vessel by the United States coast
18 24 guard shall be subject to the exclusive jurisdiction
18 25 of the department of natural resources and meet all of
18 26 the requirements of chapter 462A and is further
18 27 subject to an inspection of its sanitary facilities to
18 28 protect the environment and water quality before a
18 29 certificate of registration is issued by the
18 30 department of natural resources or a license is issued
18 31 or renewed under this chapter.
18 32 Sec. 47. Section 99F.9, subsection 5, Code 2003,
18 33 is amended to read as follows:
18 34 5. A person under the age of twenty-one years

18 35 shall not make or attempt to make a wager on an
18 36 excursion gambling boat or in a racetrack enclosure
18 37 and shall not be allowed in the area on the gaming
18 38 floor of the an excursion gambling boat <
18 39 is being conducted or in the wagering area, as defined
18 40 in section 99D.2, or on the gaming floor of a
18 41 racetrack enclosure. However, a person eighteen years
18 42 of age or older may be employed to work in a gambling
18 43 area on the gaming floor of an excursion gambling boat
18 44 or in the wagering area or on the gaming floor of a
18 45 racetrack enclosure. A person who violates this
18 46 subsection with respect to making or attempting to
18 47 make a wager commits a scheduled violation under
18 48 section 805.8C, subsection 4.

18 49 Sec. 48. Section 99F.10, Code 2003, is amended to
18 50 read as follows:

19 1 99F.10 ADMISSION REGULATORY FEE == TAX == LOCAL
19 2 FEEES.

19 3 1. A qualified sponsoring organization conducting
19 4 gambling games on an excursion gambling boat licensed
19 5 under section 99F.7 shall pay the tax imposed by
19 6 section 99F.11.

19 7 2. An excursion gambling boat licensee shall pay
19 8 to the commission an admission a regulatory fee for
19 9 each person embarking on an excursion gambling boat
19 10 with a ticket of admission to be charged as provided
19 11 in this section. The admission fee shall be set by
19 12 the commission.

19 13 a. If tickets are issued which are good for more
19 14 than one excursion, the admission fee shall be paid
19 15 for each person using the ticket on each excursion
19 16 that the ticket is used.

19 17 b. If free passes or complimentary admission
19 18 tickets are issued, the licensee shall pay the same
19 19 fee upon these passes or complimentary tickets as if
19 20 they were sold at the regular and usual admission
19 21 rate.

19 22 c. However, the excursion boat licensee may issue
19 23 fee-free passes to actual and necessary officials and
19 24 employees of the licensee or other persons actually
19 25 working on the excursion gambling boat.

19 26 d. The issuance of fee-free passes is subject to
19 27 the rules of the commission, and a list of all persons
19 28 to whom the fee-free passes are issued shall be filed
19 29 with the commission.

19 30 3. In addition to the admission fee charged under
19 31 subsection 2 and subject Subject to approval of
19 32 excursion gambling boat docking by the voters, a city
19 33 may adopt, by ordinance, an admission fee not
19 34 exceeding fifty cents for each person embarking on an
19 35 excursion gambling boat docked within the city or a
19 36 county may adopt, by ordinance, an admission fee not
19 37 exceeding fifty cents for each person embarking on an
19 38 excursion gambling boat docked outside the boundaries
19 39 of a city. The admission revenue received by a city
19 40 or a county shall be credited to the city general fund
19 41 or county general fund as applicable.

19 42 4. In determining the license fees and state
19 43 admission regulatory fees to be charged as provided
19 44 under section 99F.4 and this section, the commission
19 45 shall use the amount appropriated to the commission
19 46 plus the cost of salaries for no more than two special
19 47 agents and no more than four gaming enforcement
19 48 officers for each excursion gambling boat, plus any
19 49 direct and indirect support costs for the agents and
19 50 officers, for the division of criminal investigation's

20 1 excursion gambling boat activities and an amount for
20 2 all licensees, not to exceed one hundred twenty-five
20 3 thousand dollars, representing other associated costs
20 4 of the division, as the basis for determining the
20 5 amount of revenue to be raised from the license fees
20 6 and admission regulatory fees. The division's salary
20 7 costs shall be limited to eighty percent of the salary
20 8 costs for special agents and eighty percent of the
20 9 salary costs for gaming enforcement for personnel
20 10 assigned to excursion gambling boats who enforce laws
20 11 and rules adopted by the commission.

20 12 5. No other license tax, permit tax, occupation
20 13 tax, excursion fee, or taxes on fees shall be levied,
20 14 assessed, or collected from a licensee by the state or
20 15 by a political subdivision, except as provided in this

20 16 chapter.

20 17 6. No other excise tax shall be levied, assessed,
20 18 or collected from the licensee relating to gambling
20 19 excursions or admission charges by the state or by a
20 20 political subdivision, except as provided in this
20 21 chapter.

20 22 7. In addition to any other fees required by this
20 23 chapter, a person awarded a new license to conduct
20 24 gambling games pursuant to section 99F.7 on or after
20 25 January 1, 2004, shall pay the applicable initial
20 26 license fee to the commission as provided by this
20 27 subsection. A person awarded a new license shall pay
20 28 one-fifth of the applicable initial license fee
20 29 immediately upon the granting of the license, one=
20 30 fifth of the applicable initial license fee within one
20 31 year of the granting of the license, one=fifth of the
20 32 applicable initial license fee within two years of the
20 33 granting of the license, one=fifth of the applicable
20 34 initial license fee within three years of the granting
20 35 of the license, and the remaining one=fifth of the
20 36 applicable initial license fee within four years of
20 37 the granting of the license. However, the license fee
20 38 provided for in this subsection shall not apply when a
20 39 licensed facility is sold and a new license is issued
20 40 to the purchaser. Fees paid pursuant to this
20 41 subsection are not refundable to the licensee. For
20 42 purposes of this subsection, the applicable initial
20 43 license fee shall be five million dollars if the
20 44 population of the county where the licensee shall
20 45 conduct gambling games is fifteen thousand or less
20 46 based upon the most recent federal decennial census,
20 47 shall be ten million dollars if the population of the
20 48 county where the licensee shall conduct gambling games
20 49 is more than fifteen thousand and less than one
20 50 hundred thousand based upon the most recent federal
21 1 decennial census, and shall be twenty million dollars
21 2 if the population of the county where the licensee
21 3 shall conduct gambling games is one hundred thousand
21 4 or more based upon the most recent federal decennial
21 5 census. Moneys collected by the commission from an
21 6 initial license fee paid under this subsection shall
21 7 be deposited in the rebuild Iowa infrastructure fund
21 8 created in section 8.57.

21 9 Sec. 49. Section 99F.11, Code Supplement 2003, is
21 10 amended to read as follows:

21 11 99F.11 WAGERING TAX == RATE == ALLOCATIONS.

21 12 1. A tax is imposed on the adjusted gross receipts
21 13 received ~~annually~~ each fiscal year from gambling games
21 14 authorized under this chapter at the rate of five
21 15 percent on the first one million dollars of adjusted
21 16 gross receipts, ~~and~~ at the rate of ten percent on the
21 17 next two million dollars of adjusted gross receipts. ~~and at the rate of twenty percent~~

21 18 ~~and at the rate of twenty percent~~
21 19 2. The tax rate imposed each fiscal year on any
21 20 amount of adjusted gross receipts over three million
21 21 dollars. However, beginning January 1, 1997, the rate
21 22 on any amount of adjusted gross receipts over three
21 23 million dollars from gambling games at racetrack
21 24 enclosures is twenty-two percent and shall increase by
21 25 two percent each succeeding calendar year until the
21 26 rate is thirty-six percent. shall be as follows:

21 27 a. If the licensee is an excursion gambling boat,
21 28 twenty=two percent.

21 29 b. If the licensee is a racetrack enclosure
21 30 conducting gambling games and another licensee that is
21 31 an excursion gambling boat is located in the same
21 32 county, then the following rate, as applicable:

21 33 (1) If the licensee of the racetrack enclosure has
21 34 not been issued a table games license during the
21 35 fiscal year or if the adjusted gross receipts from
21 36 gambling games of the licensee in the prior fiscal
21 37 year were less than one hundred million dollars,
21 38 twenty=two percent.

21 39 (2) If the licensee of the racetrack enclosure has
21 40 been issued a table games license during the fiscal
21 41 year or prior fiscal year and the adjusted gross
21 42 receipts from gambling games of the licensee in the
21 43 prior fiscal year were one hundred million dollars or
21 44 more, twenty=two percent on adjusted gross receipts
21 45 received prior to the operational date and twenty=four
21 46 percent on adjusted gross receipts received on or

21 47 after the operational date. For purposes of this
21 48 subparagraph, the operational date is the date the
21 49 commission determines table games became operational
21 50 at the racetrack enclosure.

22 1 c. If the licensee is a racetrack enclosure
22 2 conducting gambling games and no licensee that is an
22 3 excursion gambling boat is located in the same county,
22 4 twenty-four percent.

22 5 3. The taxes imposed by this section shall be paid
22 6 by the licensee to the treasurer of state within ten
22 7 days after the close of the day when the wagers were
22 8 made and shall be distributed as follows:

22 9 1. a. If the gambling excursion originated at a
22 10 dock located in a city, one-half of one percent of the
22 11 adjusted gross receipts shall be remitted to the
22 12 treasurer of the city in which the dock is located and
22 13 shall be deposited in the general fund of the city.
22 14 Another one-half of one percent of the adjusted gross
22 15 receipts shall be remitted to the treasurer of the
22 16 county in which the dock is located and shall be
22 17 deposited in the general fund of the county.

22 18 2. b. If the gambling excursion originated at a
22 19 dock located in a part of the county outside a city,
22 20 one-half of one percent of the adjusted gross receipts
22 21 shall be remitted to the treasurer of the county in
22 22 which the dock is located and shall be deposited in
22 23 the general fund of the county. Another one-half of
22 24 one percent of the adjusted gross receipts shall be
22 25 remitted to the treasurer of the Iowa city nearest to
22 26 where the dock is located and shall be deposited in
22 27 the general fund of the city.

22 28 3. c. ~~Three-tenths~~ One-half o
22 29 adjusted gross receipts shall be deposited in the
22 30 gambling treatment fund ~~specified in section 99G.39,~~
22 31 ~~subsection 1, paragraph "a" created in section~~
22 32 ~~135.150.~~

22 33 d. One-half of one percent of the adjusted gross
22 34 receipts shall be deposited in the county endowment
22 35 fund created in section 15E.311.

22 36 4. e. The remaining amount of the adjusted gross
22 37 receipts tax shall be credited to the general fund of
22 38 the state.

22 39 Sec. 50. Section 99F.12, Code 2003, is amended to
22 40 read as follows:

22 41 99F.12 LICENSEES == RECORDS == REPORTS ==
22 42 SUPERVISION.

22 43 1. A licensee shall keep its books and records so
22 44 as to clearly show all of the following:

22 45 1. a. The total number of admissions to gambling
22 46 excursions conducted by the licensee on each day,
22 47 including the number of admissions upon free passes or
22 48 complimentary tickets for each day of operation.

22 49 2. b. The amount received daily from admission
22 50 fees.

23 1 3. The total amount of money wagered during each
23 2 excursion day and the adjusted gross receipts for the
23 3 each day of operation.

23 4 2. The licensee shall furnish to the commission
23 5 reports and information as the commission may require
23 6 with respect to its activities. The gross receipts
23 7 and adjusted gross receipts from gambling shall be
23 8 separately handled and accounted for from all other
23 9 moneys received from operation of an excursion
23 10 gambling boat or from operation of a racetrack
23 11 enclosure licensed to conduct gambling games. The
23 12 commission may designate a representative to board a
23 13 licensed excursion gambling boat or to enter a
23 14 racetrack enclosure licensed to conduct gambling
23 15 games, who shall have full access to all places within
23 16 the enclosure of the boat or the racetrack enclosure,
23 17 who shall directly supervise the handling and
23 18 accounting of all gross receipts and adjusted gross
23 19 receipts from gambling, and who shall supervise and
23 20 check the admissions. The compensation of a
23 21 representative shall be fixed by the commission but
23 22 shall be paid by the licensee.

23 23 3. The books and records kept by a licensee as
23 24 provided by this section are public records and the
23 25 examination, publication, and dissemination of the
23 26 books and records are governed by the provisions of
23 27 chapter 22.

23 28 Sec. 51. Section 99F.13, Code 2003, is amended to
23 29 read as follows:
23 30 99F.13 ANNUAL AUDIT OF LICENSEE OPERATIONS.
23 31 Within ninety days after the end of the licensee's
23 32 fiscal year, the licensee shall transmit to the
23 33 commission an audit of the ~~financial transactions and~~
23 34 ~~condition of the licensee's total gambling operations,~~
23 35 ~~including an itemization of all expenses and~~
23 36 ~~subsidies.~~ All audits shall be conducted by certified
23 37 public accountants registered or licensed in the state
23 38 of Iowa under chapter 542 who are selected by the
23 39 board of supervisors of the county in which the
23 40 licensee operates.
23 41 Sec. 52. Section 99F.17, subsections 5 and 6, Code
23 42 2003, are amended to read as follows:
23 43 5. The manufacturer or distributor of gambling
23 44 games or implements of gambling shall provide the
23 45 commission with ~~a copy of the invoice written notice~~
23 46 ~~showing the items shipped to the licensee and a copy~~
23 47 ~~of the bill of lading.~~
23 48 6. Subsection 2 does not apply in the following
23 49 cases, if approved by the commission:
23 50 a. Gambling games or implements of gambling
24 1 previously installed ~~on an excursion gambling boat in~~
24 2 ~~a gambling location~~ licensed in another jurisdiction.
24 3 b. Gambling games or implements of gambling
24 4 previously installed ~~on an excursion gambling boat in~~
24 5 ~~a gambling location~~ licensed in this state.
24 6 Sec. 53. Section 99G.39, subsection 1, paragraph
24 7 a, Code Supplement 2003, is amended to read as
24 8 follows:
24 9 a. An amount equal to ~~three-tenths~~ one-half of one
24 10 percent of the gross lottery revenue for the year
24 11 shall be deposited in ~~a the~~ the gambling treatment fund ~~in~~
24 12 ~~the office of the treasurer of state created in~~
24 13 ~~section 135.150.~~
24 14 Sec. 54. NEW SECTION. 135.150 GAMBLING TREATMENT
24 15 FUND.
24 16 1. A gambling treatment fund is created in the
24 17 state treasury under the control of the department.
24 18 The fund consists of all moneys appropriated to the
24 19 fund. However, if moneys appropriated to the fund in
24 20 a fiscal year exceed six million dollars, the amount
24 21 exceeding six million dollars shall be transferred to
24 22 the rebuild Iowa infrastructure fund created in
24 23 section 8.57. Moneys in the fund are appropriated to
24 24 the department for the purposes described in this
24 25 section.
24 26 2. Moneys appropriated to the department under
24 27 this section shall be for the purpose of operating a
24 28 gambling treatment program and shall be used for
24 29 funding of administrative costs and to provide
24 30 programs which may include, but are not limited to,
24 31 outpatient and follow-up treatment for persons
24 32 affected by problem gambling, rehabilitation and
24 33 residential treatment programs, information and
24 34 referral services, crisis call access, education and
24 35 preventive services, and financial management and
24 36 credit counseling services.
24 37 3. Notwithstanding section 12C.7, subsection 2,
24 38 interest or earnings on moneys deposited in the
24 39 gambling treatment fund shall be credited to the
24 40 gambling treatment fund. Notwithstanding section
24 41 8.33, moneys credited to the gambling treatment fund
24 42 shall not revert to the fund from which appropriated
24 43 at the close of a fiscal year.
24 44 4. The department shall report semiannually to the
24 45 legislative government oversight committees regarding
24 46 the operation of the gambling treatment fund and
24 47 program. The report shall include, but is not limited
24 48 to, information on revenues and expenses related to
24 49 the fund for the previous period, fund balances for
24 50 the period, and moneys expended and grants awarded for
25 1 operation of the gambling treatment program.
25 2 Sec. 55. Section 421.17, Code Supplement 2003, is
25 3 amended by adding the following new subsection:
25 4 NEW SUBSECTION. 28. To administer the county
25 5 endowment fund created in section 15E.311.
25 6 Sec. 56. NEW SECTION. 725.19 GAMBLING BY MINORS.
25 7 1. Any person under the age of twenty-one years
25 8 shall not make or attempt to make a gambling wager,

25 9 except as permitted under chapter 99B. A person who
25 10 violates this subsection commits a scheduled violation
25 11 under section 805.8C, subsection 4.

25 12 2. A person who knowingly permits a person under
25 13 the age of twenty-one years to make or attempt to make
25 14 a gambling wager, except as permitted under chapter
25 15 99B, is guilty of a simple misdemeanor.

25 16 Sec. 57. Section 805.8C, Code 2003, is amended by
25 17 adding the following new subsection:
25 18 NEW SUBSECTION. 4. GAMBLING VIOLATIONS. For
25 19 violations of legal age for gambling wagering under
25 20 section 99D.11, subsection 7, section 99F.9,
25 21 subsection 5, and section 725.19, subsection 1, the
25 22 scheduled fine is five hundred dollars. Failure to
25 23 pay the fine by a person under the age of eighteen
25 24 shall not result in the person being detained in a
25 25 secure facility.

25 26 Sec. 58. Sections 99D.14A and 99F.10A, Code 2003,
25 27 are repealed.

25 28 Sec. 59. DEPARTMENT OF PUBLIC SAFETY == SPECIAL
25 29 AGENT AUTHORIZATION. For the fiscal year beginning
25 30 July 1, 2004, the department of public safety, with
25 31 the approval of the department of management, may
25 32 employ one additional special agent for each racetrack
25 33 facility that is issued a table games license pursuant
25 34 to this Act during the fiscal year which begins July
25 35 1, 2004. Positions authorized in this section are in
25 36 addition to special agent positions otherwise
25 37 authorized for the department of public safety.

25 38 Sec. 60. SOCIOECONOMIC STUDY OF GAMBLING.

25 39 1. The legislative council shall commission a
25 40 study by an independent entity to study the
25 41 socioeconomic impact of gambling on Iowans. The
25 42 legislative council is authorized to expend up to one
25 43 hundred thousand dollars to complete the study. The
25 44 legislative council shall make the report available by
25 45 July 1, 2005.

25 46 2. The study shall be an empirical study and
25 47 include, but not be limited to, the following matters:

25 48 a. The economic impact of gambling on communities
25 49 and other businesses.

25 50 b. The impact of gambling, if any, on family
26 1 finances and family relations in general.

26 2 c. Demographic information on gamblers.

26 3 d. An assessment of the impact, if any, of
26 4 pathological or problem gambling on individuals,
26 5 families, social institutions, criminal activity, and
26 6 the economy.

26 7 e. Other relevant issues to fully examine the
26 8 socioeconomic impact of gambling.

26 9 Sec. 61. TRANSITION PROVISIONS == EXCURSION
26 10 GAMBLING BOAT CRUISING. A licensee authorized to
26 11 conduct gambling games on an excursion gambling boat
26 12 pursuant to chapter 99F as of January 1, 2004, shall,
26 13 no later than June 1, 2004, notify the racing and
26 14 gaming commission in writing if the licensee intends
26 15 to operate a moored barge, an excursion boat that will
26 16 cruise, or an excursion boat that will not cruise.

26 17 However, a licensee that is located in the same county
26 18 as a licensee of a racetrack enclosure that conducts
26 19 gambling games that had less than one hundred million
26 20 dollars in adjusted gross receipts from gambling games
26 21 for the fiscal year beginning July 1, 2003, shall only
26 22 be allowed to operate a moored barge if the licensee,
26 23 the licensee of the racetrack enclosure, and all other
26 24 licensees of an excursion gambling boat in that county
26 25 file an agreement with the commission agreeing to the
26 26 granting of a table games license under chapter 99F
26 27 and permitting all licensees of an excursion gambling
26 28 boat to operate a moored barge as of a specific date.

26 29 The racing and gaming commission shall make the
26 30 election of each licensee under this section public by
26 31 June 7, 2004. A licensee who initially elects to
26 32 operate a moored barge or an excursion boat that will
26 33 not cruise may, no later than June 30, 2004, change
26 34 its election and elect to operate an excursion boat
26 35 that will cruise.

26 36 Sec. 62. 2002=2004 RACETRACK ENCLOSURES ==
26 37 GAMBLING GAMES TAX.

26 38 1. Notwithstanding any provision of section 99F.11
26 39 to the contrary, a racetrack enclosure conducting

26 40 gambling games shall pay a tax on the adjusted gross
26 41 receipts over three million dollars received for the
26 42 fiscal year beginning July 1, 2002, and ending June
26 43 30, 2003, and for the fiscal year beginning July 1,
26 44 2003, and ending June 30, 2004, from gambling games
26 45 authorized under chapter 99F at the following tax rate
26 46 for each fiscal year:

26 47 a. If the licensee of the racetrack enclosure
26 48 conducting gambling games received adjusted gross
26 49 receipts from gambling games in the fiscal year
26 50 beginning July 1, 2002, of less than one hundred
27 1 million dollars, twenty=two percent.

27 2 b. If the licensee of the racetrack enclosure
27 3 conducting gambling games received adjusted gross
27 4 receipts from gambling games in the fiscal year
27 5 beginning July 1, 2002, of one hundred million dollars
27 6 or more, twenty=four percent.

27 7 2. Taxes due as provided by this section on
27 8 adjusted gross receipts received prior to the
27 9 effective date of this section of this Act shall be
27 10 paid by the licensee by June 1, 2004. Taxes on
27 11 adjusted gross receipts received on or after the
27 12 effective date of this section of this Act shall be
27 13 due as otherwise provided for payment of taxes in
27 14 section 99F.11.

27 15 3. Notwithstanding any provision of law to the
27 16 contrary, taxes imposed by this section shall be
27 17 deposited in the rebuild Iowa infrastructure fund
27 18 created in section 8.57.

27 19 Sec. 63. 2005=2006 REBUILD IOWA INFRASTRUCTURE
27 20 ASSESSMENTS.

27 21 1. Notwithstanding any provision of chapter 99F to
27 22 the contrary and in addition to taxes imposed pursuant
27 23 to section 99F.11, a rebuild Iowa infrastructure
27 24 assessment is imposed on each licensee authorized to
27 25 conduct gambling games on an excursion gambling boat
27 26 pursuant to chapter 99F as of January 1, 2004, as
27 27 provided in this section.

27 28 2. a. A 2005 rebuild Iowa infrastructure
27 29 assessment is imposed at the rate of two and one
27 30 hundred fifty=two thousandths percent on the estimated
27 31 adjusted gross receipts amount for each licensee of an
27 32 excursion gambling boat licensed to conduct gambling
27 33 games on an excursion gambling boat under chapter 99F
27 34 as of January 1, 2004. For purposes of this
27 35 subsection, the estimated adjusted gross receipts
27 36 amount for a licensee is the amount of adjusted gross
27 37 receipts from gambling games the revenue estimating
27 38 conference estimated, as of the most recent meeting of
27 39 the revenue estimating conference held prior to the
27 40 effective date of this section of this Act, a facility
27 41 licensed to conduct gambling games on an excursion
27 42 gambling boat will receive for the fiscal year
27 43 beginning July 1, 2004, and ending June 30, 2005.

27 44 b. The 2005 rebuild Iowa infrastructure assessment
27 45 provided in this subsection shall be paid by June 1,
27 46 2005, which assessment may be offset by the licensee
27 47 against taxes imposed on the licensee by section
27 48 99F.11 to the extent of twenty percent of the
27 49 assessment paid pursuant to this subsection for each
27 50 of five consecutive fiscal years beginning with the
28 1 fiscal year beginning July 1, 2010. The racing and
28 2 gaming commission shall revoke the license to conduct
28 3 gambling games of any licensee that fails to pay the
28 4 2005 rebuild Iowa infrastructure assessment as
28 5 provided in this subsection.

28 6 3. a. A 2006 rebuild Iowa infrastructure
28 7 assessment is imposed at the rate of two and one
28 8 hundred fifty=two thousandths percent on the estimated
28 9 adjusted gross receipts amount for each licensee of an
28 10 excursion gambling boat licensed to conduct gambling
28 11 games on an excursion gambling boat under chapter 99F
28 12 as of January 1, 2004. For purposes of this
28 13 subsection, the estimated adjusted gross receipts
28 14 amount for a licensee is the amount of adjusted gross
28 15 receipts from gambling games the revenue estimating
28 16 conference estimated, as of the most recent meeting of
28 17 the revenue estimating conference held prior to the
28 18 effective date of this section of this Act, a facility
28 19 licensed to conduct gambling games on an excursion
28 20 gambling boat will receive for the fiscal year

28 21 beginning July 1, 2004, and ending June 30, 2005.
28 22 b. The 2006 rebuild Iowa infrastructure assessment
28 23 provided in this subsection shall be paid by June 1,
28 24 2006, which assessment may be offset by the licensee
28 25 against taxes imposed on the licensee by section
28 26 99F.11 to the extent of twenty percent of the
28 27 assessment paid pursuant to this subsection for each
28 28 of five consecutive fiscal years beginning with the
28 29 fiscal year beginning July 1, 2010. The racing and
28 30 gaming commission shall revoke the license to conduct
28 31 gambling games of any licensee that fails to pay the
28 32 2006 rebuild Iowa infrastructure assessment as
28 33 provided in this subsection.

28 34 4. The 2005 and 2006 rebuild Iowa infrastructure
28 35 assessments imposed by this section shall be deposited
28 36 in the rebuild Iowa infrastructure fund created in
28 37 section 8.57.

28 38 Sec. 64. EFFECTIVE DATE == RETROACTIVE
28 39 APPLICABILITY.

28 40 1. The section of this Act amending section 99D.6
28 41 takes effect April 1, 2004. If this Act is enacted
28 42 after April 1, 2004, the section of this Act amending
28 43 section 99D.6, being deemed of immediate importance,
28 44 takes effect upon enactment and is retroactively
28 45 applicable to April 1, 2004, and is applicable on and
28 46 after that date.

28 47 2. The section of this Act amending section
28 48 99D.25, subsection 5, takes effect April 1, 2004. If
28 49 this Act is enacted after April 1, 2004, the section
28 50 of this Act amending section 99D.25, subsection 5,
29 1 being deemed of immediate importance, takes effect
29 2 upon enactment and is retroactively applicable to
29 3 April 1, 2004, and is applicable on and after that
29 4 date.

29 5 3. The section of this Act amending section 99F.1,
29 6 subsection 10, being deemed of immediate importance,
29 7 takes effect upon enactment.

29 8 4. The section of this Act amending section
29 9 99F.4A, subsection 8, being deemed of immediate
29 10 importance, takes effect upon enactment.

29 11 5. The section of this Act amending section 99F.5,
29 12 subsection 1, being deemed of immediate importance,
29 13 takes effect upon enactment.

29 14 6. The section of this Act amending section 99F.7,
29 15 subsection 10, paragraph "e", being deemed of
29 16 immediate importance, takes effect upon enactment and
29 17 is retroactively applicable to referendums held on or
29 18 after January 1, 2002.

29 19 7. The section of this Act requiring a
29 20 socioeconomic study of gambling, being deemed of
29 21 immediate importance, takes effect upon enactment.

29 22 8. The section of this Act establishing transition
29 23 provisions concerning excursion gambling boat
29 24 cruising, being deemed of immediate importance, takes
29 25 effect upon enactment.

29 26 9. The section of this Act establishing a 2002=
29 27 2004 racetrack enclosure gambling games tax, being
29 28 deemed of immediate importance, takes effect upon
29 29 enactment and is retroactively applicable to July 1,
29 30 2002, and is applicable on and after that date.

29 31 10. The section of this Act establishing 2005 and
29 32 2006 rebuild Iowa infrastructure assessments, being
29 33 deemed of immediate importance, takes effect upon
29 34 enactment.>

29 35 #2. Title page, by striking lines 3 through 5 and

1 29 36 inserting the following: 29 37 including pari-mutuel wagering, horse purses and>.
29 38 HF 2302.S
29 39 ec/cc/26